

STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSIONCITIZENS TELECOMMUNICATIONS COMPANY OF ILLINOIS (CITIZENS))
and NPCR, INC. (NPCR)

) 01-0421

Joint Petition for Approval of Agreement To Modify and Assign
Interconnection Agreement, pursuant to 47 U.S.C. § 252

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VERIFIED STATEMENT OF A. OLUSANJO OMONIYI

My name is A. Olusanjo Omoniyi and I am employed by the Illinois Commerce Commission as a Policy Analyst in the Telecommunications Division. I graduated from Southern Illinois University at Carbondale with a Bachelor of Arts degree in Cinema & Photography and Bachelor of Science degree in Radio-Television in 1987. In 1990, I obtained a Master of Arts degree in Telecommunications and a Juris Doctor in 1994 also from Southern Illinois University at Carbondale. Among my duties as a Policy Analyst is to review negotiated agreements and provide a recommendation as to their approval.

SYNOPSIS OF THE AGREEMENT

The instant agreement between CITIZENS TELECOMMUNICATIONS COMPANY OF ILLINOIS ("CITIZENS" or "Carrier") and NPCR, INC. ("NPCR" or "Requesting Carrier") is the joint petition for approval of agreement to modify and assign existing interconnection agreement between the parties. This Agreement was as a result of Citizens' acquisitions of several of local telephone exchanges from Verizon, pursuant to Commission approval granted in Docket #00-0187 on August 9, 2000. The existing agreement between Verizon and NPCR was approved in Docket 00-0059 on March 15, 2000. In recognition of operational differences between Verizon and Citizens,

certain modifications were made to the existing Interconnection Agreement, with NPCR's concurrence. As a result, Citizens will replace Verizon in the Interconnection Agreement for those exchanges, including Interconnection Agreement between NPCR and Verizon approved in Docket. Besides the modifications in this Agreement, all other terms and conditions of the underlying agreement shall remain unchanged and in full force and effect, and such terms are hereby incorporated by reference and the parties hereby reaffirm the terms and provisions thereof.

The purpose of my verified statement is to examine the agreement based on the standards enunciated in section 252(e)(2)(A) of the 1996 Act. Specifically, this section states:

- The State commission may only reject an agreement (or any portion thereof) adopted by negotiation under subsection (a) if it finds that:
- (i) the agreement (or portion thereof) discriminates against a telecommunications carrier not a party to the agreement; or
 - (ii) the implementation of such agreement or portion is not consistent with the public interest, convenience, and necessity.

I APPROVAL UNDER SECTION 252(e)

A. DISCRIMINATION

The first issue that must be addressed by the Commission in approving or rejecting a negotiated agreement under Section 252(e)(2)(A) is whether it discriminates against a telecommunications carrier that is not a party to the agreement.

Discrimination is generally defined as giving preferential treatment. In previous dockets, Staff has taken the position that in order to determine if a negotiated agreement is discriminatory, the Commission should determine if all similarly situated carriers are allowed to purchase the service under the same terms and conditions as

provided in the agreement. I recommend that the Commission use the same approach when evaluating this negotiated agreement.

A carrier should be deemed to be a similarly situated carrier for purposes of this agreement if telecommunications traffic is exchanged between itself and CITIZENS for termination on each other's networks and if it imposes costs on CITIZENS that are no higher than the costs imposed by NPCR. If a similarly situated carrier is allowed to purchase the service(s) under the same terms and conditions as provided in this contract, then this contract should not be considered discriminatory. Evaluating the term discrimination in this manner is consistent with the economic theory of discrimination. Economic theory defines discrimination as the practice of charging different prices (or the same prices) for various units of a single product when the price differences (or same prices) are not justified by cost. See, Dolan, Edwin G. and David E. Lindsey, Microeconomics, 6th Edition, The Dryden Press, Orlando, FL (1991) at pg. 586. Since Section 252(i) of the 1996 Act allows similarly situated carriers to enter into essentially the same contract, this agreement should not be deemed discriminatory.

B. PUBLIC INTEREST

The second issue that needs to be addressed by the Commission in approving or rejecting a negotiated agreement under Section 252(e)(2)(A) is whether it is contrary to the public interest, convenience, and necessity. I recommend that the Commission examine the agreement on the basis of economic efficiency, equity, past Commission orders, and state and federal law to determine if the agreement is consistent with the public interest.

In previous dockets, Staff took the position that negotiated agreements should be considered economically efficient if the services are priced at or above their Long Run Service Incremental Costs ("LRSICs"). Requiring that a service be priced at or above its LRSIC ensures that the service is not being subsidized and complies with the Commission's pricing policy. All of the services in this agreement are priced at or above their respective LRSICs. Therefore, this agreement should not be considered economically inefficient. Nothing in this agreement leads me to the conclusion that the agreement is inequitable, inconsistent with past Commission Orders, or in violation of state or federal law.

II IMPLEMENTATION

In order to assure that the implementation of the CITIZENS-NPCR agreement is in the public interest, CITIZENS should implement the Agreement by filing a copy of the agreement or agreements between VERIZON and NPCR, Docket 00-0059, along with refiling the agreement between CITIZENS and NPCR(Attachment to the Petition) to modify and assign the existing VERIZON-NPCR interconnection agreements, with the Chief Clerk of the Commission within fourteen (14) days of approval by the Commission. CITIZENS should verify that the entire set of agreements constitutes a true and correct copy of the entire interconnection agreement between CITIZENS and NPCR. The Chief Clerk should place the entire set of agreements on the Commission's web site under Interconnection Agreements. Such a requirement allows interested parties access to the actual agreement between the parties and is consistent with 47 USC 252 (h) and (i). In addition, the following sections of CITIZENS tariffs should


reference the CITIZENS-NPCR Agreement: Agreements with Telecommunications Carriers (ICC No. 5 Section 18).

For the reasons enumerated above, I recommend that the Commission approve this agreement pursuant to Section 252(e) of the Telecommunications Act of 1996.

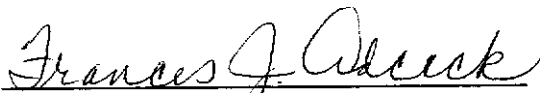
VERIFICATION

STATE OF ILLINOIS)
) SS
COUNTY OF SANGAMON)

I, A. Olusanjo Omoniyi, do on oath depose and state that if called as a witness herein, I would testify to the facts contained in the foregoing document based upon personal knowledge.



SIGNED AND SWORN TO BEFORE ME THIS 25th DAY OF
June, 2001.



NOTARY PUBLIC

